

AMENDED IN ASSEMBLY APRIL 16, 2013

AMENDED IN ASSEMBLY MARCH 19, 2013

CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

ASSEMBLY BILL

No. 777

Introduced by Assembly Member Muratsuchi

February 21, 2013

~~An act to amend Section 52517 of, and to add Sections 52612.5, 52613.5, and 52613.6 to, the Education Code, relating to adult education. An act to add Section 242 to the Revenue and Taxation Code, relating to taxation, to take effect immediately, tax levy.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 777, as amended, Muratsuchi. ~~Adult education: fees. Taxes: exemption: space flight property.~~

The California Constitution authorizes the Legislature to classify personal property for differential taxation or for exemption by means of a statute approved by a $\frac{2}{3}$ vote of the membership of each house.

Pursuant to this constitutional authorization, this bill would exempt qualified property, as defined, for use, or intended for use, in space flight.

By imposing new duties upon local tax officials with respect to the personal property tax exemption described above, this bill would impose a state-mandated local program.

This bill would make a legislative finding and declaration as to the public purpose served by the bill.

The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state.

Statutory provisions establish procedures for making that reimbursement.

This bill would provide that, if the Commission on State Mandates determines that the bill contains costs mandated by the state, reimbursement for those costs shall be made pursuant to these statutory provisions.

Section 2229 of the Revenue and Taxation Code requires the Legislature to reimburse local agencies annually for certain property tax revenues lost as a result of any exemption or classification of property for purposes of ad valorem property taxation.

This bill would provide that, notwithstanding Section 2229 of the Revenue and Taxation Code, no appropriation is made and the state shall not reimburse local agencies for property tax revenues lost by them pursuant to the bill.

This bill would take effect immediately as a tax levy.

~~Existing law authorizes the governing board of a school district maintaining an adult class to require an adult enrolled in the class to pay a fee and prohibits the governing board, after July 1, 2015, from imposing a charge for a class in English and citizenship for foreigners or a class in an elementary subject. Existing law requires each governing board of a school district to charge a nonimmigrant alien a fee to cover the full costs of instruction for maintaining certain classes for adults.~~

~~This bill would provide for the reenactment of that authorization and those requirements, with nonsubstantive changes, if those existing provisions are repealed on or before January 1, 2014. The bill would require the State Department of Education to identify, and recommend to the Legislature, a dedicated funding stream for supporting adult education, regional occupation centers, and career technical education programs.~~

Vote: ~~majority~~^{2/3}. Appropriation: no. Fiscal committee: yes.
State-mandated local program: ~~no~~-yes.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 242 is added to the Revenue and Taxation
- 2 Code, to read:
- 3 242. (a) *There is exempted from the taxes imposed by this part*
- 4 *qualified property for use, or for intended use, in space flight.*
- 5 (b) *For purposes of this section:*
- 6 (1) *“Qualified property” means any of the following:*

1 (A) *Tangible personal property, whether raw materials, work*
2 *in process or finished goods, that has, or upon manufacture,*
3 *assembly, or installation has, space flight capacity, including, but*
4 *not limited to, an orbital space facility, space propulsion system,*
5 *space vehicle, launch vehicle, satellite, or space station of any*
6 *kind, and any component thereof, regardless of whether that*
7 *property is to be ultimately returned to this state.*

8 (B) *Tangible personal property to be placed or used aboard*
9 *any facility, system, vehicle, satellite, or station described in*
10 *subparagraph (A), regardless of whether that property is to be*
11 *ultimately returned to this state.*

12 (C) *Fuel of a quality that is not adaptable for use in ordinary*
13 *motor vehicles, but is produced, sold, and used exclusively for*
14 *space flight.*

15 (2) *“Space flight” means any flight designed for suborbital,*
16 *orbital, or interplanetary travel by a space vehicle, satellite, space*
17 *facility, or space station of any kind.*

18 (c) *The exemption established by this section shall not be denied*
19 *by reason of failure, postponement, or cancellation of a launch of*
20 *a space vehicle, satellite, space facility, or space station of any*
21 *kind, or the destruction of any launch vehicle or any component*
22 *thereof, but the exemption shall not apply to any material that is*
23 *not intended to be launched into space.*

24 (d) *The exemption pursuant to this section shall apply to lien*
25 *dates that are on or after January 1, 2007.*

26 SEC. 2. *The Legislature finds and declares that this act fulfills*
27 *a statewide public purpose because it promotes businesses within*
28 *the state that consistently expand and provide secure employment*
29 *in a much needed industry.*

30 SEC. 3. *If the Commission on State Mandates determines that*
31 *this act contains costs mandated by the state, reimbursement to*
32 *local agencies and school districts for those costs shall be made*
33 *pursuant to Part 7 (commencing with Section 17500) of Division*
34 *4 of Title 2 of the Government Code.*

35 SEC. 4. *Notwithstanding Section 2229 of the Revenue and*
36 *Taxation Code, no appropriation is made by this act and the state*
37 *shall not reimburse any local agency for any property tax revenues*
38 *lost by it pursuant to this act.*

39 SEC. 5. *This act provides for a tax levy within the meaning of*
40 *Article IV of the Constitution and shall go into immediate effect.*

1 ~~SECTION 1.—The Legislature finds and declares all of the~~
2 ~~following:~~

3 ~~(a) To support local efforts for workforce development and~~
4 ~~prepare Californians for the new economy, adult education should~~
5 ~~be fully funded.~~

6 ~~(b) Regional occupation centers and career technical education~~
7 ~~programs address the shortage of highly qualified, skilled, and~~
8 ~~diverse workers in the workforce, prepare California's youth and~~
9 ~~adults to be successful contributors to that workforce, and add to~~
10 ~~the economic well-being of California.~~

11 ~~(c) A dedicated funding stream should be identified for district~~
12 ~~regional occupation centers, joint powers authorities that operate~~
13 ~~regional occupation centers, and adult education programs.~~

14 ~~SEC. 2.—Section 52517 of the Education Code is amended to~~
15 ~~read:~~

16 ~~52517. (a) A high school or unified school district shall not~~
17 ~~report for state apportionments average daily attendance in classes~~
18 ~~under either of the following conditions:~~

19 ~~(1) If the district receives full compensation for the class from~~
20 ~~any public or private agency, individual, or group of individuals;~~
21 ~~except fees authorized by Section 52612.5.~~

22 ~~(2) The classes are not located in facilities clearly identified in~~
23 ~~a manner, and established by appropriate procedures, to insure that~~
24 ~~attendance in those classes is open to the general public, except~~
25 ~~those authorized pursuant to Section 52570 and those in state~~
26 ~~hospitals.~~

27 ~~(b) The State Board of Education may adopt regulations as may~~
28 ~~be necessary to enforce this section.~~

29 ~~SEC. 3.—Section 52612.5 is added to the Education Code, to~~
30 ~~read:~~

31 ~~52612.5.—(a) (1) Except as specified in this section, the~~
32 ~~governing board of a school district maintaining a class for adults~~
33 ~~may require an adult enrolled in the class to pay a fee for the class.~~

34 ~~(2) Except as specified in Section 52613.5, the governing board~~
35 ~~of a school district shall not impose a charge of any kind for a class~~
36 ~~in English and citizenship or a class in an elementary subject.~~

37 ~~(3) A fee shall not be charged for a class designated by the~~
38 ~~governing board as a class for which high school credit is granted~~
39 ~~if the class is taken by a person who does not hold a high school~~
40 ~~diploma.~~

1 ~~(4) The total of the fees required and revenues derived from~~
2 ~~average daily attendance for classes for adults shall not exceed the~~
3 ~~estimated cost of all those classes maintained under this section,~~
4 ~~including any funds whose expenditure is subject to Section~~
5 ~~52501.5.~~

6 ~~(b) A textbook, or any other type of instructional material, that~~
7 ~~is furnished without charge for a course in which some students~~
8 ~~are required pursuant to this section to pay fees may also be offered~~
9 ~~for sale at the school bookstore.~~

10 ~~(c) Notwithstanding subdivision (a), the governing board of a~~
11 ~~school district may charge a fee for a class in English and~~
12 ~~citizenship until July 1, 2015.~~

13 ~~SEC. 4. Section 52613.5 is added to the Education Code, to~~
14 ~~read:~~

15 ~~52613.5. (a) Notwithstanding any other provision of law, the~~
16 ~~governing board of a school district maintaining classes for adults~~
17 ~~that issues a Certificate of Eligibility for Nonimmigrant (F-1)~~
18 ~~Student Status – For Academic and Language Students, Form~~
19 ~~I-20AB, or completes Form I-20AB for a nonimmigrant alien, as~~
20 ~~defined in Section 1101(a)(15)(F)(i) of Title 8 of the United States~~
21 ~~Code, for the purposes of enrolling the nonimmigrant alien in a~~
22 ~~class in English and citizenship for foreigners or a class in an~~
23 ~~elementary subject, shall charge the nonimmigrant alien a fee to~~
24 ~~cover the full costs of instruction, but the fee shall not exceed the~~
25 ~~actual cost of the instruction. The fee shall be adopted at a regular~~
26 ~~meeting of the governing board of each of these school districts~~
27 ~~maintaining classes for adults at least 90 days prior to the~~
28 ~~commencement of the classes for which the fee is charged.~~

29 ~~(b) A district maintaining classes for adults shall not include~~
30 ~~the attendance of F-1 visa students enrolled in a class in English~~
31 ~~and citizenship for foreigners or in a class in elementary subjects~~
32 ~~for apportionment purposes.~~

33 ~~SEC. 5. Section 52613.6 is added to the Education Code, to~~
34 ~~read:~~

35 ~~52613.6. The department shall identify, and recommend to the~~
36 ~~Legislature, a dedicated funding stream for supporting adult~~
37 ~~education, regional occupation centers, and career technical~~
38 ~~education programs.~~

1 ~~SEC. 6. This act shall become operative only if Sections 52612~~
2 ~~and 52613 of the Education Code are repealed on or before January~~
3 ~~1, 2014.~~

O